

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO				CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY)	
TO: CITY COUNCIL		FROM (ORIGINATING DEPARTMENT): Financial Management		DATE: 02/14/2013	
SUBJECT: Managed Competition Status Update					
PRIMARY CONTACT (NAME, PHONE): Barbara Lamb, 6-7789, 8A			SECONDARY CONTACT (NAME, PHONE): Mark Leonard, 5-5880		
COMPLETE FOR ACCOUNTING PURPOSES					
FUND					
DEPT / FUNCTIONAL AREA					
ORG / COST CENTER					
OBJECT / GENERAL LEDGER ACCT					
JOB / WBS OR INTERNAL ORDER					
C.I.P./CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00
FUND					
DEPT / FUNCTIONAL AREA					
ORG / COST CENTER					
OBJECT / GENERAL LEDGER ACCT					
JOB / WBS OR INTERNAL ORDER					
C.I.P./CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00
COST SUMMARY (IF APPLICABLE):					
ROUTING AND APPROVALS					
CONTRIBUTORS/REVIEWERS:		APPROVING AUTHORITY		APPROVAL SIGNATURE	
Liaison Office		ORIG DEPT.		Kumts, Irina	
		CFO			
		DEPUTY CHIEF			
		COO			
		CITY ATTORNEY			
		COUNCIL PRESIDENTS OFFICE			
PREPARATION OF:		<input type="checkbox"/> RESOLUTIONS		<input type="checkbox"/> ORDINANCE(S)	
				<input type="checkbox"/> AGREEMENT(S)	
				<input type="checkbox"/> DEED(S)	
This is an information only item					
STAFF RECOMMENDATIONS: This is an information only item					
SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)					
COUNCIL DISTRICT(S):		City-wide			

COMMUNITY AREA(S):	
ENVIRONMENTAL IMPACT:	N/A
CITY CLERK INSTRUCTIONS:	

**COUNCIL ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO**

DATE: 02/14/2013

ORIGINATING DEPARTMENT: Financial Management

SUBJECT: Managed Competition Status Update

COUNCIL DISTRICT(S): City-wide

CONTACT/PHONE NUMBER: Barbara Lamb/6-7789, 8A

DESCRIPTIVE SUMMARY OF ITEM:

Managed Competition Status Update as of 2/14/2013 (information only)

STAFF RECOMMENDATION:

This is an information only item

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

The City of San Diego is committed to delivering quality services to taxpayers, residents, and visitors in the most economical and efficient means possible. This commitment can also be expressed as delivering services through "competitive government," defined as government with processes in place to validate that service quality and costs are comparable to those offered by any legitimate service provider.

Managed Competition provides a structured, transparent process that allows an open and fair comparison of public sector employees and independent contractors in their ability to deliver services to our citizens. This strategy recognizes the high quality and potential of public sector employees and seeks to tap their creativity, experience and resourcefulness by giving them the opportunity to structure organizations and processes in ways similar to best practices in competitive business.

Ten functions are at various stages in the Managed Competition process. This report provides an update on the status of the ten functions.

FISCAL CONSIDERATIONS: NONE

EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE): N/A

PREVIOUS COUNCIL and/or COMMITTEE ACTION (describe any changes made to the item from what was presented at committee): N/A

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS: N/A

Kumis, Irina

Originating Department

Deputy Chief/Chief Operating Officer

Managed Competition Status Update

Budget & Finance Committee
Meeting

February 27, 2013

Agenda

- This presentation provides status updates for the ten functions in various stages of the Managed Competition process
 - Implemented
 - Publishing Services
 - Implementation underway
 - Street Sweeping
 - Fleet Maintenance
 - Landfill Operations
 - Street & Sidewalk Maintenance
 - Under review
 - Storm Water Operations & Maintenance
 - Public Utilities Department Customer Support
 - Capital Improvement Program Delivery
 - Transportation Engineering & Operations
 - Solid Waste Collection

Publishing Services

status: implemented

Issues/Points of interest:

- Savings incorporated into FY 2012 and later budgets
- Meet monthly to monitor and report on performance
- Business Office issued audit report for first full year of implementation on December 6, 2012
- City Auditor will review on a schedule to be determined

Street Sweeping

status: implementation underway

Issues/Points of interest:

- Mayor announced employee win on February 10, 2012
- Meet and confer complete
- Transition activities complete except for 2 positions to be RIF'd
- Operationally implemented as of December 1, 2012
- Some savings will be realized in FY 2013
- Annual savings of \$550,000 starting in FY 2014

Fleet Maintenance

status: implementation underway

Issues/Points of interest:

- Mayor announced employee win on October 13, 2011
- Meet and confer is underway
- Procurement underway for contemplated contracted work
- Transition activities have begun
- \$4.2 million annual savings starting in FY 2014

Landfill Operations

status: implementation underway

Issues/Points of interest:

- Mayor announced employee win on July 20th, 2012
- Meet and confer is underway
- Plan to implement in July 2013
- \$5.6 million estimated annual savings to Refuse Disposal Enterprise Fund starting in FY 2014

Street & Sidewalk Maintenance

status: implementation underway

Issues/Points of interest:

- Mayor announced employee win on October 5, 2012
- Meet and confer will begin after contract negotiations
- Transition schedule awaits completion of meet and confer
- \$875,000 estimated annual savings

5 Functions

status: under review

1. Storm Water Operations & Maintenance

- *Preliminary Statement of Work is approved*
- *Statement of Work activities started*
- *Firewall is up*

2. Public Utilities Department Customer Support

- *Preliminary Statement of Work under review*

3. Capital Improvement Program Delivery

- *Preliminary Statement of Work under review*

4. Transportation Engineering & Operations

- *Preliminary Statement of Work under review*

5. Solid Waste Collection

- *Preliminary Statement of Work under review*

Next Steps:

Process Review

- Soliciting input on process improvements to Managed Competition Guide from various stakeholders to include:
 - Management
 - Impacted Labor organizations
 - IBA
 - City Attorney
- Based on results of this review, Mayor will provide recommendations to City Council which could lead to renegotiation of Managed Competition Guidebook